



UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 2024 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHAEL ANTHONY BAUER,
aka "Tony Bauer,"

Defendant.

CR No. 8:24-cr-00135-FWS

I N D I C T M E N T

[18 U.S.C. § 1343: Wire Fraud; 18
U.S.C. § 1028A(a)(1): Aggravated
Identity Theft]

The Grand Jury charges:

COUNTS ONE THROUGH FIVE

[18 U.S.C. §§ 1343, 2]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1. California's Employment Development Department ("EDD") was the administrator of the unemployment insurance ("UI") benefits program for the State of California.

2. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to the millions of

1 Americans who were suffering the economic effects caused by the
2 COVID-19 pandemic.

3 3. The CARES Act established a new program – Pandemic
4 Unemployment Assistance (“PUA”) – to provide UI benefits. Under the
5 PUA provisions of the CARES Act, a person who was a business owner,
6 self-employed worker, independent contractor, or gig worker could
7 qualify for PUA benefits if he/she previously performed such work in
8 California and was unemployed, partially unemployed, unable to work,
9 or unavailable to work due to a COVID-19-related reason.

10 4. Persons applying for PUA benefits could do so online. They
11 did not need to submit any supporting documents to EDD with their
12 applications. A PUA benefits claimant was required to answer various
13 questions on his/her application to establish his/her eligibility for
14 the benefits. The claimant was required to provide his/her name,
15 Social Security Number, and mailing address. The claimant was also
16 required to identify a qualifying occupational status and COVID-19-
17 related reason for being out of work.

18 5. After it accepted an application for PUA benefits,
19 including an application submitted pursuant to the PUA program, EDD
20 typically deposited PUA benefit funds every two weeks to a debit card
21 whose funds – the loading, transferring, and disbursing of them –
22 were administered by Bank of America (“B of A”). A claimant could
23 use the debit card at ATMs or at merchants. PUA debit cards were
24 mailed to the claimant at the address the claimant provided as
25 his/her mailing address on his/her UI benefits application.

26 ///

27 ///

1 B. THE SCHEME TO DEFRAUD

2 6. Beginning in or about June 2020 and continuing through at
3 least in or about December 2020, in Orange and Riverside Counties,
4 within the Central District of California, and elsewhere, defendant
5 MICHAEL ANTHONY BAUER, also known as ("aka") "Tony Bauer," together
6 with others known and unknown to the Grand Jury, each aiding and
7 abetting the other, knowingly and with the intent to defraud,
8 devised, participated in, and executed a scheme to defraud EDD and
9 the United States Treasury as to material matters, and to obtain
10 money and property from EDD and the United States Treasury, namely,
11 PUA benefits, by means of material false and fraudulent pretenses,
12 representations, and promises, and the concealment of material facts.

13 7. The fraudulent scheme operated, in substance, as follows:

14 a. Defendant BAUER and his co-schemers would obtain
15 personal identifying information ("PII") of individuals who did not
16 qualify for, and/or had no intention of seeking, PUA benefits.

17 b. Defendant BAUER and his co-schemers would file and
18 caused to be filed, online, fraudulent applications for PUA benefits
19 in the names of individuals whose PII defendant BAUER and his co-
20 schemers had obtained and used without such individuals' knowledge or
21 permission. The applications were fraudulent for that reason and,
22 among other things, (a) the applications falsely described
23 applicants' work history, work location, income, and/or other
24 compensation information, and/or (b) the applications falsely stated
25 that the applicants lived in California - a requirement to qualify
26 for EDD-administered PUA benefits - when, in fact, most such
27 applicants did not.

1 c. As a result of the fraudulent PUA benefits
2 applications that defendant BAUER and his co-schemers filed and
3 caused to be filed, EDD authorized B of A to issue debit cards in the
4 names of dozens of individuals.

5 d. To ensure that they received the PUA benefits that
6 were paid as a result of the fraudulent applications, defendant BAUER
7 and his co-schemers would list and caused to be listed on the PUA
8 benefit applications addresses to which they had access as the
9 mailing addresses for each of the applicants. Defendant BAUER and
10 his co-schemers knew that, by doing so, defendant BAUER and his co-
11 schemers would cause B of A to mail the benefit debit cards issued in
12 the names of applicants to these addresses, thereby enabling
13 defendant BAUER and his co-schemers to take possession of the benefit
14 debit cards.

15 e. After defendant BAUER and his co-schemers received the
16 benefit debit cards issued as a result of the fraudulent benefits
17 applications that defendant BAUER and his co-schemers submitted to
18 EDD, defendant BAUER and other co-schemers would use the debit cards
19 and cause the debit cards to be used to withdraw the benefits loaded
20 onto the debit cards by making cash withdrawals at ATMs and at
21 banking centers, as well as by using the debit cards via point-of-
22 sale devices for different merchants.

23 8. Through this scheme, defendant BAUER and his co-schemers
24 caused at least approximately 46 fraudulent applications for PUA
25 benefits to be filed with EDD, seeking approximately \$1,100,000.

26 C. USE OF THE WIRES

27 9. On or about the following dates, in Orange and Riverside
28 Counties, within the Central District of California, and elsewhere,

defendant BAUER, together with others known and unknown to the Grand Jury, for the purpose of executing the above-described scheme to defraud, caused the transmission of the following wire communications in interstate commerce:

COUNT	DATE	WIRING
ONE	7/27/2020	Electronic funds transfer to credit ATM withdrawal by defendant BAUER of approximately \$1,000 in Mission Viejo, CA, using PUA benefit debit card issued to W.C.
TWO	8/10/2020	Electronic funds transfer to credit purchase by defendant BAUER of goods from Business 1 in Wildomar, CA, using PUA benefit debit card issued to F.C.
THREE	8/10/2020	Electronic funds transfer to credit purchase by defendant BAUER of goods from Business 1 in Wildomar, CA, using PUA benefit debit card issued to E.W.
FOUR	9/3/2020	Electronic funds transfer to credit ATM withdrawal of approximately \$1,000 at Casino 1 in Cabazon, CA, using PUA benefit debit card issued to I.A.
FIVE	9/14/2020	Electronic funds transfer to credit ATM withdrawal of approximately \$1,000 at Casino 1 in Cabazon, CA, using PUA benefit debit card issued to J.G.

COUNTS SIX THROUGH TEN

[18 U.S.C. §§ 1028A(a)(1), 2]

13. The Grand Jury realleges paragraphs one through five and seven through nine of this Indictment here.

14. On or about the dates set forth below, in Orange and Riverside Counties, within the Central District of California, and elsewhere, defendant MICHAEL ANTHONY BAUER, aka "Tony Bauer," and others known and unknown to the Grand Jury, each aiding and abetting the other, knowingly used, and willfully caused to be used, without lawful authority, the means of identification set forth below that

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

///

defendant BAUER knew belonged to another person, during and in relation to the commission of the following felony offenses:

COUNT	DATE	MEANS OF IDENTIFICATION	FELONY VIOLATION
SIX	7/27/2020	Name of W.C.	COUNT ONE
SEVEN	8/10/2020	Name of F.C.	COUNT TWO
EIGHT	8/10/2020	Name of E.W.	COUNT THREE
NINE	9/3/2020	Name of I.A.	COUNT FOUR
TEN	9/14/2020	Name of J.G.	COUNT FIVE

A TRUE BILL

/S/
Foreperson

E. MARTIN ESTRADA
United States Attorney


MACK E. JENKINS
Assistant United States Attorney
Chief, Criminal Division

KRISTEN A. WILLIAMS
Assistant United States Attorney
Chief, Major Frauds Section

MARK AVEIS
Assistant United States Attorney
Major Frauds Section